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**SEVENTY-FIRST REPORT**

**of the**

**Board of Directors**

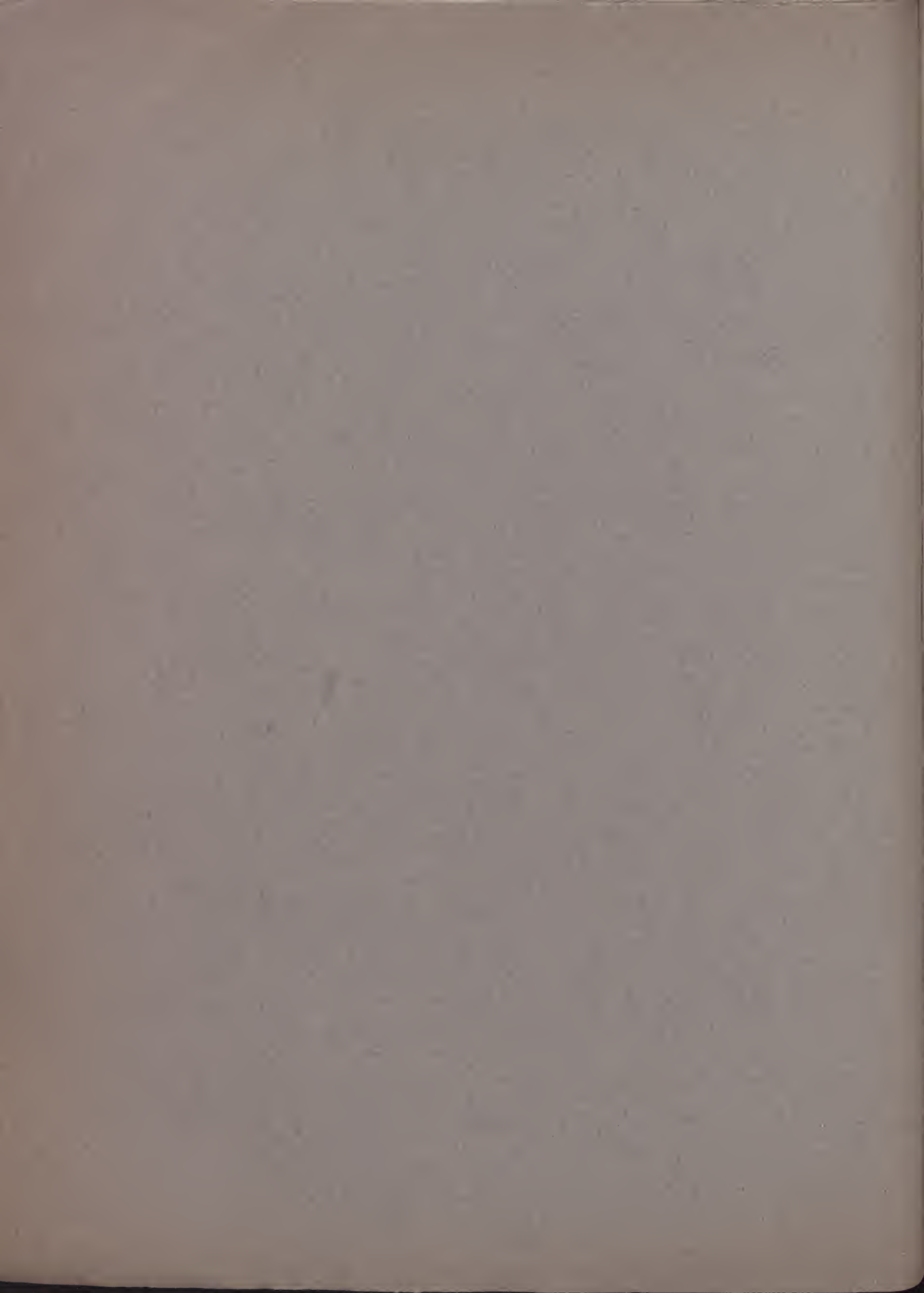
**of the**

**Lehigh Valley Railroad Company**

**to the**

**Stockholders**

**For the Year Ended December 31, 1924**



# Lehigh Valley Railroad Company

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## Board of Directors

JAMES F. BELL	EDWARD S. MOORE
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HENRY B. COXE	ALFRED H. SWAYNE
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E. H. BOLES.....	VICE PRESIDENT AND GENERAL COUNSEL
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A. F. BAYFIELD.....	TREASURER



1924

LEHIGH VALLEY RAILROAD COMPANY

## Seventy-First Report

Philadelphia, Pa., April 1, 1925.

To the Stockholders of the Lehigh Valley Railroad Company:

The Board of Directors submits herewith a report of the business and condition of your Company for the year ended December 31, 1924.

### INCOME

The Corporate Income for the year was as follows:

Total Operating Revenues.....	\$76,374,805.25
Total Operating Expenses .....	60,967,968.63
Net Operating Revenue.....	<u>\$15,406,836.62</u>
Railway Tax Accruals.....	\$3,201,421.80
Uncollectible Railway Revenues.....	15,664.50
Equipment Rents—Net .....	944,061.23
Joint Facility Rents—Net.....	145,859.44
	<u>4,015,288.09</u>
Net Railway Operating Income.....	\$11,391,548.53
Other Income .....	3,257,957.48
Total Income .....	<u>\$14,649,506.01</u>
Deductions from Income .....	7,297,468.41
Net Income .....	<u>\$7,352,037.60</u>

### PROFIT AND LOSS

Balance December 31, 1923 .....	\$49,784,526.88
Transferred from Income .....	7,352,037.60
Miscellaneous Items—Net .....	2,730,950.07
	<u>\$59,867,514.55</u>
Dividends .....	4,245,749.00
Balance December 31, 1924.....	<u>\$55,621,765.55</u>

Your Company again has produced the highest gross revenue in its history, and at the same time operating expenses show a considerable decrease. A comparative income statement in detail will be found on page 15.



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## LEHIGH VALLEY RAILROAD COMPANY

### FINANCIAL

Taking advantage of a favorable market situation your Company sold \$12,000,000 General Consolidated Mortgage 5 per cent. Bonds, using the proceeds and funds in its Treasury to redeem \$15,000,000 Ten Year Collateral Trust 6 per cent. Bonds which were outstanding and would have matured on September 1, 1928. By this arrangement a saving was effected in the interest rate your Company pays on its funded debt and a bond issue having early maturity was retired advantageously. In addition, \$1,000,000 Collateral Trust 4 per cent. Bonds matured during the year and were paid.

Your Company also sold \$10,000,000 First Mortgage 5 per cent. Bonds of its subsidiary, the Lehigh Valley Harbor Terminal Railway Company, received in part payment for advances for construction purposes. This sale reimbursed the treasury of your Company for the payment of \$10,400,000 of its Consolidated Mortgage Bonds at their maturity on December 1, 1923.

The Lehigh Valley has no important maturities of outstanding obligations to meet for the next fourteen years, when an issue of \$8,500,000 becomes due, the refunding of which is provided for in the General Consolidated Mortgage.

The separation of The Lehigh Valley Coal Company from the Railroad Company was completed during the year. As a result of the transaction, stockholders of record March 15, 1924, received upon the payment of \$1.00 a share, a Certificate of Interest in the Coal Company for each share of Railroad stock owned. These certificates had a market value at the close of the year of over \$58,000,000. In addition, your Company received \$14,968,925, which was used to reimburse the Treasury for various Capital Expenditures.

At the close of the year your Company held in its Treasury the following securities of its own issue, amounting to \$10,905,000 no part of which is included in the unpledged securities amounting to \$22,039,309.69 shown on page 10.

Collateral Trust 4% Bonds .....	\$675,000.00
General Consolidated Mortgage Bonds .....	10,230,000.00
	<hr/>
	\$10,905,000.00

In addition, \$17,400,000 General Consolidated Mortgage Bonds, \$4,000,000 Lehigh-Buffalo Terminal Railway Corporation First Mortgage 4½ per cent. Gold Bonds and \$2,600,000 Consolidated Real Estate Company Bonds will be returned to the Treasury as the result of the payment of the Ten Year Collateral Trust Bonds for which they had been under pledge as security.

Since September 30, 1903, the date of the General Consolidated Mortgage, expenditures of approximately \$58,000,000 have been made for Additions and Betterments to the property of your Company and for other capital purposes against which no new or additional securities have been issued.

The bonds of the Lehigh Valley Railroad Company and its subsidiaries, in the hands of the public, as of December 31, 1924, amounted to \$126,824,500, bearing an average interest rate of 4.61 per cent., comparing with an average interest rate of 4.71 last year.

Your Company has no equipment trust obligations.

### ROAD AND EQUIPMENT

Expenditures for Additions and Betterments to Road and Equipment, including expenditures on subsidiary properties, amounted during the year to \$8,199,489.10, against which there were credits representing the sale or retirement of property of \$2,652,578.26, resulting in a net charge to investment of \$5,546,910.84.

## LEHIGH VALLEY RAILROAD COMPANY

Important improvements were made to the property to increase freight traffic and expedite its handling. The Industrial Branch in Jersey City, along the Hackensack River, was extended for about two-thirds of a mile, opening up new territory for development. Extensive additions were made to yard tracks at Allentown, Coxtown, Manchester, P. & L. Junction and in the Tiffert Farm development, at Buffalo. Freight handling facilities were enlarged at 124th Street Station, New York City; at National Docks and Greenville Stations, in Jersey City; Newark, Hillside, Allentown, Lehigh, Packerton, Hazleton, Mahanoy City, Wilkes-Barre, Tunkhannock, Owego, Geneva and Manchester. These included new tracks and platforms, ramps for handling automobiles, cranes, scales and additional tractors and trailers.

A three-cylinder locomotive, after extensive and thorough tests in which it demonstrated its value as a powerful and economical unit of motive power, was purchased by your Company. This locomotive, known as the Lehigh Valley type, has attracted most favorable attention and has been widely discussed in mechanical circles. So successful has it proven that five more three-cylinder locomotives were purchased and placed in service after the close of the year.

In addition to the three-cylinder locomotives, ten Pacific and forty Mikado engines were placed in service, as were twenty 12,000-gallon capacity locomotive tenders. At the close of the year the motive power of the Company was in the best condition in its history and well prepared to meet all demands.

Betterments to increase the efficient handling of locomotives were made at Oak Island, Wilkes-Barre and Coxtown and important machinery and tools were added to shop equipment at Easton, Ashmore, Packerton, Wilkes-Barre, Coxtown, Sayre, Auburn, Cortland, Buffalo and Suspension Bridge.

At the same time the work of bringing the freight cars of the Company to the highest standard was continued.

Three new steel dining cars and five steel coaches were ordered.

Twenty-five new milk cars, ordered during the preceding year, were received and are now in service.

Two tugs and two steel carfloats were purchased for the New York Harbor equipment of your Company.

Your Company, jointly with the Reading Company, has purchased the Ironton Railroad, eight miles in length, extending from Hokendauqua to Siegersville, Pa. This railroad serves an important cement-producing and industrial territory.

Jointly with the Delaware, Lackawanna & Western Railroad, your Company purchased the ship repair yards of the Brighton Dry Dock Company on New York Harbor. This plant is now being used for the repair of the floating equipment of the two railroads, affording increased facilities for the prompt and economical handling of this work.

Construction has begun of a new passenger station and freight terminal at Easton. A new passenger station, for the joint use of the Lehigh Valley and the Reading Company is under construction at Bethlehem.

The bridge building program, upon the completion of which the heaviest freight locomotives may be used over the entire line, was continued systematically. When a new viaduct at Easton and a new bridge in Phillipsburg, work on which is progressing, are finished, the largest locomotives may be operated from the coal docks at Perth Amboy to Buffalo and Suspension Bridge. Twenty bridges were replaced with new and heavier structures and four bridges were eliminated entirely and the openings filled. Two wooden overhead highway bridges were replaced by steel or concrete structures.

Track maintenance facilities were increased by the purchase of three locomotive cranes, eighteen motor cars and thirteen trailers, as well as by further purchases of pneumatic tie-tampers and concrete mixers.

A new gravity water supply system, including a 16,000,000 gallon storage reservoir and a 200,000 gallon distributing reservoir, was completed at Burdett and additional water facilities for locomotives were installed at Richards, Packerton, Ashmore and Gracedale.



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LEHIGH VALLEY RAILROAD COMPANY

GENERAL REMARKS

Normal conditions generally prevailed and traffic moved steadily and in good volume throughout the year. Anthracite coal operations, however, were restricted to a degree by brief strikes of the miners on several occasions, rebuilding of an important breaker and also by a severe flood which compelled a temporary suspension of mining. Revenues of your Company from this traffic were reduced approximately \$3,000,000, but this was more than offset by the growth of general merchandise business and as has been previously stated, the gross receipts from transportation by your Company in 1924 were the largest in its history.

The campaign to locate desirable industries on property owned by your Company, at Buffalo, on Lake Erie, adjacent to its Tifft Farm terminals, was continued. A thirteen-acre site there has been disposed of and a grain elevator of 1,200,000 bushels capacity, the first unit of a larger plant, is now in course of construction. Negotiations are pending which are expected to bring other industries to this desirable location.

As another site for future industrial development, your Company has acquired a tract of ninety-five acres, known as the Fitzpatrick Farm, adjacent to Irvington and Newark, in a growing manufacturing section. During the year this tract was surveyed and arrangements made for the necessary spur tracks into the site. Inquiries received from business concerns seeking locations for new plants indicate that this property will be quickly disposed of to industries which will contribute materially to the freight business of the railroad.

A total of 100 industries, seventy-four of them with direct track connections, were located along the Lehigh Valley during the year. More than three miles of spur tracks were built to serve these new industries. In the last three years more than 100 new industries a year have been located along the tracks of your Company.

Claremont Terminal, your Company's new freight terminal, on New York Bay, was successfully operated throughout the year. Forty-three ocean-going vessels, loaded with iron ore, discharged their cargoes at the ore dock, and the warehouse and open pier for the handling of heavy freight proved themselves an important contribution to the freight-handling facilities of the harbor. When property owned by your Company, at Claremont, is developed to its full extent, docking space of more than five and a half miles will be available to ocean-going vessels.

Seventy per cent. of all the ties in your Company's tracks are now creosoted, 391,801 having been installed during 1924.

Over 102 miles of 136-pound rail, the Company's standard and the heaviest rail used by any road, were laid during the year. Two-thirds of the main line is now laid with this heavy rail.

Tax accruals were \$3,656,560.74, an increase of \$805,185.41 over the preceding year. The principal increases were in New Jersey State Taxes (\$322,355.56) and in Federal Income tax (\$470,021.82), the latter item, of course, reflecting the more favorable operating results of the year 1924.

There were no changes in the Board of Directors of your Company during 1924, but Mr. Daniel G. Reid, a member since January 18, 1910, died on January 17, 1925. Mr. S. Brinckerhoff Thorne was elected in Mr. Reid's place.

Special praise and thanks are due the rank and file of your Company's employes, as well as the officers, for the important contribution they made to the good showing of the year.

Respectfully,

E. E. LOOMIS,

President.



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## LEHIGH VALLEY RAILROAD COMPANY

Table 1

## GENERAL BALANCE SHEET

ASSETS		
INVESTMENTS:		
In road.....(See Note below)	\$35,222,134.01	.....
In equipment.....	70,215,434.62	.....
		\$105,437,568.63
Improvements on leased railway property.....		1,405,020.05
Sinking Funds .....		1,902,410.00
Miscellaneous physical property.....		3,037,814.57
Investments in affiliated companies:		
Stocks .....	\$53,520,219.28	.....
Bonds .....	20,845,630.00	.....
Advances .....	16,140,188.96	.....
		90,506,038.24
Other investments:		
Stocks .....	\$855,366.00	.....
Bonds .....	7,963,270.90	.....
Notes .....	609,170.29	.....
Miscellaneous .....	4,722.00	.....
		9,432,529.19
Total investments.....		211,721,380.68
CURRENT ASSETS:		
Cash .....	\$6,412,178.23	.....
Special deposits.....	69,737.10	.....
Loans and bills receivable.....	2,365.13	.....
Traffic and car-service balances receivable.....	694,826.59	.....
Net balance receivable from agents and conductors.....	1,357,788.95	.....
Miscellaneous accounts receivable.....	1,616,620.52	.....
Material and supplies.....	6,880,420.83	.....
Interest and dividends receivable.....	250,959.78	.....
Rents receivable.....	30,373.58	.....
Other current assets.....	290,155.88	.....
Total current assets.....		17,605,426.59
DEFERRED ASSETS:		
Working fund advances.....	\$21,507.59	.....
Insurance and other funds.....	22,892.72	.....
Other deferred assets.....	9,310.22	.....
Total deferred assets.....		53,710.53
UNADJUSTED DEBITS:		
Rents and insurance premiums paid in advance.....	\$19,199.60	.....
Other unadjusted debits.....	1,329,946.46	.....
Total unadjusted debits.....		1,349,146.06
TOTAL ASSETS.....		\$230,729,663.86

NOTE:—The item Investment in Road represents only road property of Lehigh Valley Railroad Company proper (Phillipsburg, N. J., to Wilkes-Barre, Pa.). The total road and equipment investment of the system, including transportation subsidiaries, owned by your Company, is \$237,744,036.03.

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## LEHIGH VALLEY RAILROAD COMPANY

DECEMBER 31, 1924

LIABILITIES		
STOCK:		
Common stock.....	\$60,501,700.00	
Preferred stock.....	106,300.00	
Total stock outstanding.....		\$60,608,000.00
LONG-TERM DEBT:		
Funded debt.....	\$119,436,000.00	
Less—Funded debt held in treasury.....	41,361,000.00	
Total long-term debt outstanding.....		78,075,000.00
CURRENT LIABILITIES:		
Traffic and car-service balances payable.....	\$93,803.07	
Audited accounts and wages payable.....	5,901,122.01	
Miscellaneous accounts payable.....	175,579.45	
Interest matured unpaid.....	418,876.25	
Dividends matured unpaid.....	6,871.59	
Funded debt matured unpaid.....	1,870,000.00	
Unmatured dividends declared.....	1,061,437.25	
Unmatured interest accrued.....	527,658.34	
Unmatured rents accrued.....	515,154.55	
Other current liabilities.....	1,524,121.54	
Total current liabilities.....		12,094,624.05
DEFERRED LIABILITIES:		
Liability for provident funds.....	\$24,905.12	
Other deferred liabilities.....	390,336.37	
Total deferred liabilities.....		415,241.49
UNADJUSTED CREDITS:		
Tax liability.....	\$1,960,718.42	
Insurance and casualty reserves.....	277,136.11	
Operating reserves.....	85,194.15	
Accrued depreciation—Equipment.....	21,117,635.94	
Other unadjusted credits.....	388,126.53	
Total unadjusted credits.....		23,828,811.15
CORPORATE SURPLUS:		
Additions to property through income and surplus.....	\$86,221.62	
Profit .....	55,621,765.55	
Total corporate surplus.....		55,707,987.17
Total LIABILITIES.....		\$230,729,663.86



1924

## LEHIGH VALLEY RAILROAD COMPANY

Table 2

Statement of Securities of Affiliated Operated Companies Owned, December 31, 1924

KIND	PAR VALUE		
	PLEGDED	UNPLEGDED	TOTAL
<b>Stocks:</b>			
Bay Shore Connecting Railroad Co.....		\$27,900.00	\$27,900.00
Delaware, Susquehanna & Schuylkill Railroad Co.....	a \$1,500,000.00		1,500,000.00
Easton & Northern Railroad Co.....	b 565,000.00		565,000.00
Lehigh & New York Railroad Co.—Preferred.....	b 3,348,430.00		3,348,430.00
Lehigh & New York Railroad Co.—Common.....	b 155,100.00		155,100.00
Lehigh Valley Harbor Terminal Railway Co.....		100,000.00	100,000.00
Lehigh Valley Railroad Co. of New Jersey.....	b 20,433,000.00		20,433,000.00
Lehigh Valley Rail Way Co.....	b 11,745,000.00		11,745,000.00
Loyalsock Railroad Co.....	b 825,000.00		825,000.00
Montrose Railroad Co.....		100,000.00	100,000.00
Pennsylvania & New York Canal & Railroad Co.....	b 1,511,550.00		1,511,550.00
Schuylkill & Lehigh Valley Railroad Co.....	b 500,000.00		500,000.00
Miscellaneous .....		8,500.00	8,500.00
Total .....	\$40,583,080.00	\$236,400.00	\$40,819,480.00
<b>Bonds:</b>			
Easton & Northern Railroad Co., First Mortgage.....		\$249,500.00	\$249,500.00
Easton & Northern Railroad Co., Debentures.....	b \$23,000.00		23,000.00
Greenville & Hudson Railway Co., First Mortgage.....		350,000.00	350,000.00
Irrington Railroad Co., First Mortgage.....		125,000.00	125,000.00
Lehigh-Buffalo Terminal Railway Corp'n, First Mortgage.....	c 4,000,000.00	1,000,000.00	5,000,000.00
Lehigh Valley Railroad Co. of New Jersey, Debentures.....	b 3,310,000.00		3,310,000.00
Lehigh Valley Rail Way Co., Debentures.....	b 6,643,000.00		6,643,000.00
Lehigh Valley Terminal Railway Co., First Mortgage.....		1,000.00	1,000.00
Loyalsock Railroad Co., Debentures.....	b 35,000.00		35,000.00
Middlesex Valley Railroad Co., First Mortgage.....		400,000.00	400,000.00
Montrose Railroad Co., First Mortgage.....		100,000.00	100,000.00
Montrose Railroad Co., Debentures.....		12,000.00	12,000.00
Penna. & New York Canal & Railroad Co., Debentures.....	b 1,640,000.00		1,640,000.00
Rochester Southern Railroad Co., First Mortgage.....		425,000.00	425,000.00
Schuylkill & Lehigh Valley Railroad Co., First Mortgage.....		2,000,000.00	2,000,000.00
Schuylkill & Lehigh Valley Railroad Co., Debentures.....	b 6,000.00		6,000.00
Seneca County Railway, First Mortgage.....		500,000.00	500,000.00
Total .....	\$15,657,000.00	\$5,162,500.00	\$20,819,500.00
Grand Total .....	\$56,240,080.00	\$5,398,900.00	\$61,638,980.00
Book value of the above securities.....	\$53,319,068.78	\$5,398,900.00	\$58,717,968.78

NOTE:—As the income from the operation of these properties is included in the Income Account of the Lehigh Valley Railroad Co., no dividends or interest are received on these securities.

## Statement of Other Securities Owned

KIND	PAR VALUE			DIVIDENDS AND INTEREST RECEIVED
	PLEGDED	UNPLEGDED	TOTAL	
Stocks:				
Buffalo Creek Railroad Co. ....		\$125,000.00	\$125,000.00	\$8,750.00
Coxe Bros. & Co., Incorporated .....	a \$2,910,150.00		2,910,150.00	1,337,969.12
Highland Coal Co. ....		120,000.00	120,000.00	16,800.00
Ironton Railroad Co. ....		400,000.00	400,000.00	25,000.00
Lehigh & Hudson River Railway Co. ....		572,800.00	572,800.00	57,280.00
Lehigh Valley Coal Co. ....				643,057.10
National Storage Co. ....		2,400,000.00	2,400,000.00	
New York, Chicago & St. Louis Railroad Co. ....				9,000.00
New York & Middle Coal Field Railroad & Coal Co. ....		1,216,325.00	1,216,325.00	75,000.00
Philadelphia Grain Elevator Co. ....		164,000.00	164,000.00	9,840.00
Wyoming Valley Water Supply Co. ....		1,686,900.00	1,686,900.00	50,000.00
Miscellaneous .....		11,009.00	11,009.00	5,632.00
Total .....	\$2,910,150.00	\$6,696,034.00	\$9,606,184.00	\$2,238,328.22
Bonds:				
Buffalo Creek Railroad Co., First Refunding Mortgage 5% .....		\$26,000.00	\$26,000.00	\$1,950.00
City of Hoboken Temporary Street Improvement 6% .....		50,000.00	50,000.00	1,683.33
Colorado & Southern Railway Co., First Mortgage 4% .....		125,000.00	125,000.00	3,525.58
Dominion of Canada 5½% External Gold .....		26,000.00	26,000.00	817.53
Government of Argentine Nation 5-Year 7% .....		200,000.00	200,000.00	7,811.61
Johnstown Passenger Railway Co., Consolidated Mortgage 4% .....		16,000.00	16,000.00	693.33
Louisiana Oil Refining Corporation, Debenture 5½% .....		300,000.00	300,000.00	
South Carolina & Georgia First Mortgage 5½% .....		175,000.00	175,000.00	5,400.68
U. S. Gov't., Liberty Loan 4¼% .....		6,000,000.00	6,000,000.00	189,184.00
Canadian Provincial .....		270,000.00	270,000.00	8,066.65
Equipment Trust Certificates .....		782,000.00	782,000.00	34,690.62
Interest Received on Bonds Sold .....				34,319.16
Total .....		\$7,970,000.00	\$7,970,000.00	\$288,142.49
Notes:				
Kingdom of Belgium 5-Year 6% .....		\$200,000.00	\$200,000.00	\$7,300.00
Government of Switzerland 5% .....		210,000.00	210,000.00	6,251.38
Sinclair Crude Oil Purchasing Co., 30-Year 6% .....		200,000.00	200,000.00	7,333.33
Total .....		\$610,000.00	\$610,000.00	\$20,884.71
Other Securities .....		\$5,946.04	\$5,946.04	\$20.84
Total Bonds, Notes and Other Securities .....		\$8,585,946.04	\$8,585,946.04	d \$309,048.04
Grand Total .....	\$2,910,150.00	\$15,281,980.04	\$18,192,130.04	\$2,547,376.26
Book Value of the above Securities .....	\$8,440,000.00	\$16,640,409.69	\$25,080,409.69	

a Pledged under Lehigh Valley Railroad Co. Collateral Trust Agreement of November 1, 1905.

b Pledged under Lehigh Valley Railroad Co. General Consolidated Mortgage of September 30, 1903.

c Pledged under Lehigh Valley Railroad Co. 10-year Collateral Trust Agreement of August 31, 1918.

d Total interest received on Bonds, Notes and Other Securities, \$309,048.04, does not agree with the Income from Unfunded Securities as shown on the Income Statement, Page 15, inasmuch as "Interest During Construction," \$7,905.17, is not included in this table.

The book value of the securities, \$83,798,378.47, is carried on the balance sheet as follows:

Investments in Affiliated Companies—Stocks, Bonds and Notes .....

Other Investments—Stocks, Bonds and Miscellaneous .....

1924

LEHIGH VALLEY RAILROAD COMPANY  
Statement of Funded Debt, December 31, 1924

Table 3

DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	IN TREASURY OF THE COMPANY OR PLEDGED	IN HANDS OF THE PUBLIC	INTEREST		
					RATE	PAYABLE	ACCRUED DURING THE YEAR
LEHIGH VALLEY RAILROAD COMPANY:							
First Mortgage Bonds.....	May 15, 1868	June 1, 1948	.....	\$5,000,000	4%	June and Dec.	\$200,000.00
Consolidated Mortgage Bonds.....	Nov. 13, 1873	{ Perpetual	.....	10,062,000	6%	June and Dec.	603,720.00
		{ Perpetual	.....	2,538,000	4½%	June and Dec.	114,210.00
*General Consolidated Mortgage Bonds.....	Sept. 30, 1903	May 1, 2003	.....	26,953,000	4%	May and Nov.	1,078,120.00
		{ \$500,000	.....	20,697,000	4½%	May and Nov.	931,365.00
		{ semi-annually	.....	12,000,000	5%	May and Nov.	228,333.33
		{ to Feb. 1, 1926	.....				
Collateral Trust Bonds.....	Nov. 1, 1905	Sept. 1, 1928	.....	825,000	4%	Feb. and Aug.	48,653.00
Collateral Trust Bonds (Ten-Year) .....	Aug. 31, 1918	Feb. 1, 1956	.....	.....	6%	Mar. and Sept.	598,293.43
CONSOLIDATED REAL ESTATE COMPANY:							
First Mortgage Bonds.....	Feb. 1, 1906	.....	.....	.....	4%	Feb. and Aug.	.....
Total Funded Debt and Interest.....			\$41,361,000	\$73,075,000			\$3,802,694.76

\*Amount of authorized issue, \$150,000,000.

†\$56,000 pledged with Girard Trust Co.

‡\$4,400,000 pledged under Ten-Year 6% Collateral Trust Agreement of August 31, 1918.

§\$10,400,000 pledged with Girard Trust Co.

||\$12,000,000 pledged under Ten-Year 6% Collateral Trust Agreement of August 31, 1918.

+Excludes interest on securities in the Treasury.

||Collateral Trust Bonds (Ten-Year) called for redemption September 1, 1924.

Table 4

Guaranties and Rentals, Year Ended December 31, 1924

GUARANTIES	DATE OF ISSUE	DATE OF MATURITY	IN HANDS OF THE PUBLIC	GUARANTIES AND RENTALS		
				RATE	PAYABLE	ACCRUED DURING THE YEAR
ENTIRE CAPITAL STOCK OWNED:						
Lehigh Valley Terminal Railway Co., First Mortgage Bonds.....	Oct. 1, 1891	Oct. 1, 1941	\$9,999,000	5%	April and Oct.	\$499,950.00
Easton & Northern Railroad Co., First Mortgage Bonds.....	Oct. 7, 1895	Nov. 1, 1935	50,500	4½%	May and Nov.	2,279.43
			4,000,000	5%	April and Oct.	200,000.00
Penna. & N. Y. Canal & Railroad Co., Consolidated Mortgage Bonds.	Nov. 13, 1888	April 1, 1939	1,500,000	4½%	April and Oct.	67,500.00
The Lehigh Valley Rail Way Co., First Mortgage Bonds.....	June 23, 1890	July 1, 1940	3,000,000	4%	April and Oct.	120,000.00
Middlesex Valley Railroad Co., First Mortgage Bonds.....	Aug. 26, 1892	Nov. 1, 1942	15,000,000	4½%	Jan. and July	675,000.00
The Lehigh & Lake Erie Railroad Co., First Mortgage Bonds.....	Mar. 1, 1907	Nov. 1, 1957	200,000	5%	May and Nov.	10,000.00
Lehigh-Buffalo Terminal Railway Corp'n, First Mortgage Bonds...	Nov. 1, 1916	Nov. 1, 1966	3,000,000	4½%	Mar. and Sept.	135,000.00
Lehigh Valley Harbor Terminal Railway Co., First Mortgage Bonds...	Feb. 1, 1924	Feb. 1, 1954	.....	4½%	May and Nov.	1,160.00
MAJORITY CAPITAL STOCK OWNED:			10,000,000	5%	Feb. and Aug.	458,333.33
Lehigh & New York Railroad Co., First Mortgage Bonds.....	Aug. 24, 1895	Sept. 1, 1945	2,000,000	4%	Mar. and Sept.	80,000.00
Total .....			\$48,749,500			\$2,249,222.76
RENTALS—LINES NOT OWNED:						
State Line and Sullivan Railroad Co.....						40,000.00
Raritan Terminal and Transportation Co.....						2,000.00
New York Central Railroad Co.....						10,083.90
Total Interest and Rentals.....						\$2,301,306.66



1924

LEHIGH VALLEY RAILROAD COMPANY

ADDITIONS AND BETTERMENTS, ENTIRE SYSTEM, YEAR ENDED

DECEMBER 31, 1924

Table 5

	EXPENDITURES AND CHARGES	RETIREMENTS	NET AMOUNT
Engineering .....	\$42,143.32	\$849.47	\$41,293.85
Land for transportation purposes .....	37,123.80	145,269.59	108,145.79
Grading .....	202,907.40	7,806.72	195,100.68
Bridges, trestles and culverts.....	232,037.19	16,970.80	215,066.39
Ties .....	115,507.93	8,292.97	107,214.96
Rails .....	403,575.50	11,058.48	392,517.02
Other track material .....	292,767.32	6,023.64	286,743.68
Ballast .....	97,366.76	724.41	96,642.35
Track laying and surfacing.....	118,845.95	8,105.46	110,740.49
Crossings and signs.....	62,960.64	29,453.53	33,507.11
Station and office buildings .....	204,877.48	3,592.99	201,284.49
Roadway buildings .....	14,764.92	1,100.00	13,664.92
Water stations .....	97,945.81	6,826.54	91,119.27
Fuel stations.....	31,834.14	.....	31,834.14
Shops and engine houses.....	133,289.08	29,807.01	103,482.07
Grain elevators.....	5,601.65	.....	5,601.65
Wharves and docks .....	21,659.25	62,255.87	40,596.62
Coal and ore wharves.....	116,143.01	53,254.46	62,888.55
Gas Producing Plants .....	.....	13,294.75	13,294.75
Telegraph and telephone lines.....	64,390.07	97.56	64,292.51
Signals and interlockers.....	65,036.57	2,239.80	62,796.77
Power plant buildings.....	6,052.68	.....	6,052.68
Power transmission systems.....	3,454.82	.....	3,454.82
Power distribution systems.....	5,865.42	2,320.81	3,544.61
Power line poles and fixtures .....	3,282.85	.....	3,282.85
Roadway machines .....	57,118.60	.....	57,118.60
Roadway Small Tools .....	1,003.04	.....	1,003.04
Assessments for public improvements.....	4,562.03	.....	4,562.03
Shop machinery.....	232,212.24	15,169.92	217,042.32
Power plant machinery.....	29,328.10	1,075.00	28,253.10
Steam locomotives.....	4,325,891.36	712,464.04	3,613,427.32
Freight train cars.....	367,643.95	1,141,355.78	773,711.83
Passenger train cars.....	161,853.33	23,758.13	138,095.20
Floating equipment.....	372,748.35	228,095.01	144,653.34
Work equipment.....	202,259.85	121,315.52	80,944.33
Miscellaneous equipment.....	11,543.74	.....	11,543.74
General expenditures.....	53,890.95	.....	53,890.95
Total .....	\$8,199,489.10	\$2,652,578.26	\$5,546,910.84



1924  
LEHIGH VALLEY RAILROAD COMPANY  
EQUIPMENT (Entire System) AS OF DECEMBER 31, 1924

Table 6

LOCOMOTIVES:	
Tractive power (pounds).....	990 41,551,271
PASSENGER EQUIPMENT:	
Passenger .....	231
Combined passenger and baggage.....	45
Combined baggage and mail.....	19
Baggage and express.....	185
Dining .....	12
Kitchen .....	1
Library buffet.....	3
Postal .....	2
Milk .....	159
Total .....	657
FREIGHT EQUIPMENT:	
Box .....	11,158
Coal .....	14,616
Gondola .....	2,776
Flat .....	35
Refrigerator .....	1,194
Automobile .....	1,545
Ice .....	232
Well .....	9
Gun and armor.....	4
Set of gun and armor trucks.....	1
Cabooses .....	499
Total .....	32,069
WORK EQUIPMENT:	
Air-brake instruction.....	1
Air-dump .....	100
Ash .....	760
Box .....	1
Coal .....	20
Derrick .....	37
Flat .....	42
Gondola .....	429
Grading .....	15
Hospital .....	2
Locomotive cranes.....	44
Motor .....	4
Official .....	6
Pile driver.....	2
Pole .....	2
Scale-test .....	3
Snow flangers.....	20
Snow plows.....	10
Spreader .....	4
Steam shovels.....	2
Tank .....	3
Tool .....	31
Tunnel .....	4
Unloader .....	1
Workmen's .....	328
Total .....	1,871
FLOATING EQUIPMENT:	
Tugs .....	15
Steam lighters.....	4
Barges .....	189
Car floats.....	33
Service boats.....	11
Total .....	252

1924

## LEHIGH VALLEY RAILROAD COMPANY

## MILEAGE OF ROAD AND TRACK OPERATED, DECEMBER 31, 1924

Table 7

By Corporate Ownership

	MILES OF ROAD	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	INDUS- TRIAL TRACK MILES	YARD TRACKS & SIDINGS MILES	TOTAL TRACK MILES
LEHIGH VALLEY RAILROAD COMPANY.....	278.72	186.99	43.79	29.99	112.77	257.20	909.46
CONTROLLED BY OWNERSHIP OF ENTIRE CAPITAL STOCK:							
Lehigh Valley Railroad Company of New Jersey.....	121.49	92.08	37.85	13.07	49.77	241.06	555.32
Pennsylvania and New York Canal and Railroad Com- pany .....	123.48	98.00	4.78	2.03	53.73	186.64	468.66
The Lehigh Valley Rail Way Company.....	514.91	197.50	15.82	.....	32.87	314.51	1,075.61
The Delaware, Susquehanna and Schuylkill Rail Road Company .....	18.73	.....	.....	.....	13.12	3.92	35.77
Easton & Northern Railroad Company.....	12.78	.....	.....	.....	3.98	1.16	17.92
The Schuylkill and Lehigh Valley Railroad Company.	41.84	.....	.....	.....	3.08	5.15	50.07
Loyalsock Railroad Company.....	44.95	.....	.....	.....	8.06	5.27	58.28
Montrose Railroad Company.....	27.36	.....	.....	.....	1.44	2.26	31.06
National Storage Company.....	.....	.....	.....	.....	.76	7.93	8.69
Lehigh Valley Harbor Terminal Railway Company...	.....	.....	.....	.....	.....	10.99	10.99
Total .....	905.54	387.58	58.45	15.10	166.81	778.89	2,312.37
CONTROLLED BY OWNERSHIP OF MAJORITY OF CAPITAL STOCK AND LEASE:							
Lehigh and New York Railroad Company.....	115.37	.....	.....	.....	7.66	31.88	154.91
OPERATED UNDER LEASE:							
State Line and Sullivan Railroad Company.....	24.03	.....	.....	.....	1.00	2.68	27.71
Hayts Corners, Ovid and Willard Railroad Company.	2.98	.....	.....	.....	.20	.....	3.18
New York Central Railroad Company.....	.....	.....	.....	.....	.....	12.65	12.65
Raritan Terminal and Transportation Company.....	.....	.....	.....	.....	.60	.....	.60
Total .....	27.01	.....	.....	.....	1.80	15.33	44.14
OPERATED UNDER AGREEMENT JOINTLY WITH THE CENTRAL RAILROAD COMPANY OF NEW JERSEY:							
Bay Shore Connecting Railroad Company .....	.....	.....	.....	.....	2.82	.....	2.82
TRACKAGE RIGHTS:							
Pennsylvania Railroad Company.....	20.14	18.30	.....	.....	.....	.....	38.44
Peoples Railway Company.....	3.47	.....	.....	.....	.....	.....	3.47
Delaware and Hudson Company.....	1.67	1.61	.....	.....	.....	.66	3.94
Erie and Wyoming Valley Railroad Company.....	.88	.....	.....	.....	.....	.....	.88
Lehigh and New England Railroad Company.....	.44	.....	.....	.....	.74	.....	1.18
Susquehanna and New York Railroad Company....	4.01	.....	.....	.....	.....	.....	4.01
Lehigh and Wilkes-Barre Coal Company.....	.....	.....	.....	.....	1.00	.....	1.00
Mountain Spring Water Ice Company.....	.....	.....	.....	.....	.84	.....	.84
John C. Haddock Estate.....	.....	.....	.....	.....	.50	.....	.50
Middle Lehigh Coal Company.....	.....	.....	.....	.....	2.42	.....	2.42
Central Railroad Company of New Jersey.....	.08	.....	.....	.....	.....	.....	.08
New York, Ontario and Western Railroad Company.	.10	.....	.....	.....	.....	.....	.10
Western New York and Pennsylvania Railway Com- pany .....	.34	.....	.....	.....	.....	.....	.34
Erie Railroad Company.....	.....	.....	.....	.....	.....	1.52	1.52
New York Central Railroad Company.....	17.10	14.29	.....	.....	8.25	.....	39.64
Buffalo Creek Railroad Company .....	.....	.....	.....	.....	.....	5.93	5.93
Total .....	48.23	34.20	.....	.....	13.75	8.11	104.29
Grand Total.....	1,374.87	608.77	102.24	45.09	305.61	1,091.41	3,527.99
MILEAGE BY STATES:							
Pennsylvania .....	584.23	286.55	48.57	32.02	202.68	464.89	1,618.94
New York.....	652.00	212.99	15.82	.....	49.04	367.83	1,297.68
New Jersey.....	138.64	109.23	37.85	13.07	53.89	258.69	611.37
Total .....	1,374.87	608.77	102.24	45.09	305.61	1,091.41	3,527.99

## LEHIGH VALLEY RAILROAD COMPANY

## INCOME STATEMENT

For the Years Ended December 31, 1924 and 1923

Table 8

	1924	PER CENT. OF OPERATING REVENUES	1923	PER CENT. OF OPERATING REVENUES	INCREASE	DECREASE
AVERAGE MILES OF ROAD OPERATED.....	1,374.62		1,373.72		.90	
OPERATING REVENUES:						
Anthracite coal freight revenue.....	\$23,148,359.14	30	\$26,392,972.46	35		\$3,244,613.32
Bituminous coal freight revenue.....	1,722,396.77	2	2,233,608.20	3		511,211.43
Merchandise freight revenue.....	38,681,550.99	51	34,496,240.64	45	\$4,185,310.35	
Passenger revenue.....	7,688,391.84	10	7,406,345.92	10	282,045.92	
Mail revenue.....	304,395.64	—	298,641.53	—	5,754.11	
Express revenue.....	1,139,562.04	2	1,370,421.79	2		230,859.75
Other transportation revenue.....	2,671,465.77	4	2,661,686.49	4		
Incidental revenue.....	1,018,683.06	1	1,075,236.68	1	9,779.28	56,553.62
Total Operating Revenues.....	\$76,374,805.25	100	\$75,935,153.71	100	\$439,651.54	
OPERATING EXPENSES:						
Maintenance of way and structures.....	\$8,421,393.06	11	\$7,812,892.90	10	\$608,500.16	
Maintenance of equipment.....	18,609,488.39	24	23,762,226.82	31		\$5,152,738.43
Traffic expenses.....	1,400,377.19	2	1,176,866.49	2	223,410.70	
Transportation expenses.....	30,558,446.99	40	32,140,661.48	42		1,582,214.49
Miscellaneous operations.....	345,476.59	1	302,706.81	1	42,769.78	
General expenses.....	1,647,798.04	2	1,563,962.51	2	83,835.53	
Transportation for investment—Cr.....	15,011.03	—	5,202.55	—		9,809.08
Total Operating Expenses.....	\$60,967,968.63	80	\$66,754,214.46	88		\$5,786,245.83
NET OPERATING REVENUE.....	\$15,406,836.62		\$9,180,939.25		\$6,225,897.37	
DEDUCTIONS FROM REVENUE:						
Railway tax accruals.....	\$3,201,421.80		\$2,323,308.09		\$878,113.71	
Uncollectible railway revenues.....	15,664.50		3,935.12		11,729.38	
Equipment rents—net.....	944,061.23		428,675.24		515,385.99	
Joint facility rents—net.....	145,899.44		148,099.59		2,240.15	
NET RAILWAY OPERATING INCOME.....	\$11,391,548.53		\$6,573,120.39		\$4,818,428.14	
OTHER INCOME:						
Misc. non-operating physical property.....	\$342,637.51		\$297,999.71		\$44,637.80	
Separately operated properties—profit.....	82,742.05		5,158.50		77,583.55	
Dividend income.....	2,238,328.22		8,681,062.11			\$6,442,733.39
Income from funded securities.....	316,953.21		29,438.97		287,514.24	
Income from unfunded securities and accounts.....	227,517.11		233,061.13			5,544.02
Miscellaneous income.....	49,779.38		336,573.30			286,793.92
Total Other Income.....	\$3,257,957.48		\$9,583,293.72			\$6,325,336.24
Total Income.....	\$14,649,506.01		\$16,156,414.11			\$1,506,908.10
DEDUCTIONS FROM INCOME:						
Rent for leased roads.....	\$2,301,306.66		\$1,870,970.68		\$430,335.98	
Miscellaneous rents.....	336,057.47		315,892.98		20,164.49	
Miscellaneous tax accruals.....	455,138.94		528,067.24			\$72,928.30
Interest on funded debt.....	3,802,694.76		4,407,731.67			605,036.91
Interest on unfunded debt.....	107,329.61		115,066.49			7,736.88
Miscellaneous income charges.....	294,940.97		332,072.48			37,131.51
Total Deductions from Income.....	\$7,297,468.41		\$7,569,801.54			\$272,333.13
Net Income.....	\$7,352,037.60		\$8,586,612.57			\$1,234,574.97



1924

## LEHIGH VALLEY RAILROAD COMPANY

Operating Revenues and Expenses, by Months, for the Year Ended December 31, 1924

## RAILWAY OPERATING REVENUES

Table 9

MONTHS	Coal Freight	Merchandise Freight	Passenger	Mail	Express	Other Passenger Train	Other Transportation	Incidental	TOTAL RAILWAY OPERATING REVENUES
January .....	\$2,098,562.87	\$2,935,185.71	\$554,351.85	\$24,337.30	\$65,142.35	\$148,124.91	\$62,773.35	\$82,641.75	\$5,971,120.09
February .....	2,069,749.80	2,871,531.46	502,759.51	24,467.30	102,031.39	138,118.89	62,804.38	68,268.20	5,839,730.93
March .....	2,340,751.39	3,385,402.62	523,669.11	24,523.24	98,492.79	194,557.19	74,628.49	81,503.53	6,723,528.36
April .....	1,846,706.34	3,243,917.68	593,674.79	24,476.27	102,282.63	153,428.40	64,440.51	82,523.00	6,111,449.62
May .....	2,073,847.62	3,302,289.57	587,234.48	27,882.52	103,871.72	172,256.12	72,902.16	90,525.07	6,430,809.26
June .....	2,164,613.50	2,945,599.02	670,747.28	24,590.72	98,847.16	180,744.60	67,863.93	91,085.34	6,244,091.55
July .....	2,286,183.43	3,016,354.04	764,918.02	24,621.72	82,354.59	177,836.45	63,835.07	85,705.03	6,501,808.35
August .....	2,077,963.68	3,012,429.59	908,706.31	24,764.44	84,730.45	154,911.85	67,112.44	95,490.17	6,426,108.93
September .....	1,949,457.07	3,339,402.67	759,191.24	24,765.88	100,007.80	141,931.32	66,101.46	79,838.61	6,460,696.05
October .....	2,100,407.61	4,017,740.89	643,087.95	25,218.17	102,628.30	140,303.52	66,364.04	91,451.37	7,187,201.85
November .....	1,877,028.30	3,370,908.86	550,532.33	24,748.31	89,430.43	137,111.71	58,123.51	82,811.43	6,190,694.88
December .....	1,985,484.30	3,240,788.88	629,518.97	29,999.77	109,742.43	143,778.10	61,413.37	86,839.56	6,287,565.38
Total .....	\$24,870,755.91	\$38,681,550.99	\$7,688,391.84	\$304,395.64	\$1,139,562.04	\$1,883,103.06	\$788,362.71	\$1,018,683.06	\$76,374,805.25

## RAILWAY OPERATING EXPENSES

MONTHS	Maintenance of Way and Structures	Maintenance of Equipment	Traffic	Transportation	Miscellaneous Operations	General	Transportation for Investment—Cr.	TOTAL RAILWAY OPERATING EXPENSES	NET REVENUE FROM RAILWAY OPERATIONS
January .....	\$758,246.62	\$1,662,668.45	\$101,733.27	\$2,681,785.33	\$24,742.66	\$138,362.74	\$1,226.98	\$5,356,312.09	\$604,808.00
February .....	516,832.42	1,491,890.96	103,361.62	2,584,634.19	23,341.61	136,223.06	3,837.82	4,852,446.04	987,284.89
March .....	581,879.36	1,587,099.41	111,825.64	2,700,264.19	24,663.50	133,309.18	603.74	5,138,437.54	1,585,090.82
April .....	567,837.16	1,504,685.30	112,963.46	2,536,995.38	24,379.70	135,900.27	171.01	4,882,590.26	1,228,859.36
May .....	676,517.14	1,699,301.97	116,787.10	2,603,672.18	29,913.72	134,936.27	299.22	5,260,829.16	1,169,980.10
June .....	658,262.26	1,588,075.33	128,872.89	2,391,104.10	33,436.46	145,031.00	1,237.45	4,943,544.59	1,300,546.96
July .....	812,185.15	1,406,156.04	123,664.13	2,370,238.17	31,373.87	136,300.10	2,027.15	4,877,890.31	1,623,918.04
August .....	828,027.47	1,369,559.97	120,622.74	2,342,442.73	34,170.52	125,716.62	1,791.60	4,818,748.45	1,607,360.48
September .....	789,637.73	1,490,323.29	121,551.92	2,440,688.96	30,887.14	130,737.83	1,002.38	5,002,824.49	1,457,871.56
October .....	801,241.91	1,752,253.89	123,839.09	2,749,321.97	30,377.88	137,618.52	943.79	5,593,709.47	1,593,492.38
November .....	801,652.41	1,606,710.80	119,907.71	2,586,392.49	29,172.11	130,651.34	912.90	5,273,573.96	917,120.92
December .....	629,073.43	1,450,762.98	115,247.62	2,570,907.30	29,017.42	163,011.11	957.59	4,957,062.27	1,330,503.11
Total .....	\$8,421,393.06	\$18,609,488.39	\$1,400,377.19	\$30,558,445.99	\$345,476.59	\$1,647,798.04	\$15,011.63	\$60,967,968.63	\$15,406,836.62

1924

LEHIGH VALLEY RAILROAD COMPANY

General Operating Results for the Years Ended December 31, 1924 and 1923

Table 10

	1924	1923	INCREASE OR Decrease	PER CENT.
TRAIN AND LOCOMOTIVE MILEAGE				
Revenue freight train miles.....	7,114,897	6,885,555	229,342	3.33
Revenue passenger train miles.....	3,476,268	3,186,400	289,868	9.10
Revenue milk and express train miles.....	1,014,701	943,923	70,778	7.50
Revenue mixed train miles.....	101,653	95,086	6,567	6.91
Revenue special train miles.....	5,441	5,615	174	3.10
Total revenue service train miles.....	11,712,960	11,116,579	596,381	5.36
Helping and light freight locomotive miles.....	1,585,965	1,671,507	85,542	5.12
Helping and light passenger locomotive miles.....	516,975	543,399	26,424	4.86
Helping and light mixed locomotive miles.....	12,990	9,417	3,573	37.94
Helping and light special locomotive miles.....	1,006	1,037	31	2.99
Total revenue service locomotive miles, excluding switching.....	13,829,896	13,341,939	487,957	3.66
Switching locomotive miles.....	5,308,865	5,126,100	182,765	3.57
Total revenue service locomotive miles.....	19,138,761	18,468,039	670,722	3.63
Non-revenue service locomotive miles.....	844,126	936,842	92,716	9.90
Per cent. of helping and light mileage to revenue train mileage.....	18.07	20.02	1.95	9.74
CAR MILEAGE				
Freight car miles—loaded.....	210,865,016	196,327,206	14,537,810	7.40
Freight car miles—empty.....	110,156,726	90,798,091	19,358,635	21.32
Freight car miles—caboose.....	7,537,928	7,250,068	287,860	3.97
Total freight car miles.....	328,559,670	294,375,365	34,184,305	11.61
Average number of loaded freight cars per train.....	29.22	28.12	1.10	3.91
Average number of empty freight cars per train.....	15.26	13.01	2.25	17.29
Average number of all freight cars per train.....	44.48	41.13	3.35	8.14
Per cent. of loaded car mileage to total car mileage.....	64.18	66.69	2.51	3.76
Per cent. of empty car mileage to total car mileage.....	33.53	30.85	2.68	8.69
Per cent. of caboose car mileage to total car mileage.....	2.29	2.46	.17	6.91
Passenger car miles—including Pullman.....	17,218,372	15,090,098	2,128,274	14.10
Baggage, dining, mail, express and milk car miles.....	17,823,748	17,648,578	175,170	.99
Total passenger car miles.....	35,042,120	32,738,676	2,303,444	7.04
Average number of passenger cars per train.....	7.80	7.93	.13	1.64
Special revenue service car miles.....	33,531	36,010	2,479	6.88
Non-revenue service car miles.....	1,019,785	1,009,866	9,919	.98



1924

LEHIGH VALLEY RAILROAD COMPANY

Table 11

General Traffic Results for the Years Ended December 31, 1924 and 1923

	1924	1923	INCREASE OR Decrease	PER CENT.
Average miles of road operated.....	1,374.62	1,373.72	.90	.07
FREIGHT TRAFFIC				
Tons of revenue freight carried.....	30,224,907	31,164,643	939,736	3.02
Tons of company freight carried.....	2,561,916	2,803,081	241,165	8.60
Tons of all freight carried.....	32,786,823	33,967,724	1,180,901	3.48
Tons of revenue coal carried one mile.....	2,083,381,242	2,482,541,982	399,160,740	16.08
Tons of revenue merchandise carried one mile.....	3,646,575,095	3,233,942,404	412,632,691	12.76
Tons of company freight carried one mile.....	143,191,349	152,025,442	8,834,093	5.81
Tons of all freight carried one mile.....	5,873,147,686	5,868,509,828	4,637,858	.08
Tons of revenue freight carried one mile per mile of road.....	4,168,393	4,161,317	7,076	.17
Average distance revenue freight carried—in miles.....	189.58	183.43	6.15	3.35
Revenue from freight.....	\$63,552,306.90	\$63,122,821.30	\$429,485.60	.68
Average revenue per ton carried.....	\$2.10-265	\$2.02-546	\$ .07-719	3.81
Average revenue per ton per mile—in cents.....	1.109	1.104	.005	.45
Freight revenue per mile of road operated.....	\$46,232.64	\$45,950.28	\$282.36	.61
Freight revenue per revenue freight train mile.....	\$8.80-647	\$9.04-255	\$ .23-608	2.61
Tons of revenue freight per revenue freight train.....	794.00	818.91	24.91	3.04
Tons of all freight per revenue freight train.....	813.84	840.68	26.84	3.19
Tons of all freight hauled per revenue service locomotive, excluding switching miles .....	666.23	677.53	11.30	1.68
Average number of tons of all freight in each loaded car.....	27.85	29.89	2.04	6.83
PASSENGER TRAFFIC				
Revenue passengers carried.....	4,020,252	4,217,844	197,592	4.68
Revenue passengers carried one mile.....	253,565,671	232,363,980	21,201,691	9.12
Revenue passengers carried one mile per mile of road.....	184,462	169,149	15,313	9.05
Average distance carried—in miles.....	63.07	55.09	7.98	14.49
Revenue from passengers.....	\$7,688,391.84	\$7,406,345.92	\$282,045.92	3.81
Average revenue per passenger—in cents.....	191.242	175.596	15.646	8.91
Average revenue per passenger per mile—in cents.....	3.032	3.187	.155	4.86
Average revenue from passengers per passenger train mile (excluding milk and express).....	\$2.17-981	\$2.29-019	\$ .11-038	4.82
Passenger service train revenue.....	\$11,015,452.58	\$10,876,780.20	\$138,672.38	1.27
Passenger service train revenue per mile of road.....	\$8,013.45	\$7,917.76	\$95.69	1.21
Passenger service train revenue per train mile (including milk and express) .....	\$2.42-535	\$2.60-343	\$ .17-808	6.84
Average revenue passengers per car.....	15	15	.....	.....
Average revenue passengers per train (including mixed).....	72	72	.....	.....
REVENUES AND EXPENSES				
Freight and passenger revenue.....	\$71,240,698.74	\$70,529,167.22	\$711,531.52	1.01
Freight and passenger revenue per mile of road.....	\$51,825.74	\$51,341.73	\$484.01	.94
Total operating revenues.....	\$76,374,805.25	\$75,935,153.71	\$439,651.54	.58
Total operating revenues per mile of road.....	\$55,560.67	\$55,277.02	\$283.65	.51
Operating expenses.....	\$60,967,968.63	\$66,754,214.46	\$5,786,245.83	8.67
Ratio of operating expenses to operating revenues.....	79.83%	87.91%	8.08%	.....
Operating expenses per mile of road.....	\$44,352.60	\$48,593.75	\$4,241.15	8.73
Net operating revenue.....	\$15,406,836.62	\$9,180,939.25	\$6,225,897.37	67.81
Net operating revenue per mile of road.....	\$11,208.07	\$6,683.27	\$4,524.80	67.70



1924

## LEHIGH VALLEY RAILROAD COMPANY

Classification of Tonnage for the Years Ended December 31, 1924 and 1923

Table 12

COMMODITY	1924		1923	
	TONS	PER CENT.	TONS	PER CENT.
PRODUCTS OF AGRICULTURE:				
Wheat .....	738,496	2.44	592,778	1.90
Corn .....	212,471	.70	216,546	.70
Oats .....	202,478	.67	159,039	.51
Other grain.....	246,781	.82	101,053	.32
Flour and meal.....	945,634	3.12	773,797	2.48
Other mill products.....	379,713	1.26	299,528	.96
Hay, straw and alfalfa.....	205,593	.68	239,061	.77
Tobacco .....	11,114	.04	4,662	.02
Cotton .....	12,374	.04	8,009	.03
Cotton seed and products, except oil.....	513	.00	1,074	.00
Citrus fruits.....	8,238	.03	14,480	.05
Other fresh fruits.....	97,869	.33	62,770	.20
Potatoes .....	60,830	.20	56,352	.18
Other fresh vegetables.....	66,176	.22	40,063	.13
Dried fruits and vegetables.....	15,132	.05	15,240	.05
Other products of agriculture.....	140,080	.46	135,025	.43
Total .....	3,343,492	11.06	2,719,477	8.73
PRODUCTS OF ANIMALS:				
Horses and mules.....	744	.00	1,120	.00
Cattle and calves.....	24,908	.08	25,243	.08
Sheep and goats.....	1,621	.01	1,809	.01
Hogs .....	32,744	.11	29,466	.09
Fresh meats.....	113,082	.37	95,414	.31
Other packing-house products.....	191,385	.63	113,528	.36
Poultry .....	16,384	.05	10,822	.04
Eggs .....	33,401	.11	22,812	.07
Butter and cheese.....	45,916	.15	33,903	.11
Wool .....	5,603	.02	4,524	.01
Hides and leather.....	37,670	.13	39,973	.13
Other products of animals.....	7,936	.03	6,198	.02
Total .....	511,394	1.69	384,812	1.23
PRODUCTS OF MINES:				
Anthracite coal.....	12,311,487	40.73	13,903,038	44.61
Bituminous coal.....	1,833,153	6.07	2,404,327	7.71
Coke .....	84,523	.28	199,020	.64
Iron ore.....	775,499	2.57	1,156,163	3.71
Other ores and concentrates.....	39,791	.13	74,053	.24
Base bullion and matte.....	17,922	.06	14,247	.05
Clay, gravel, sand and stone.....	1,478,131	4.89	1,103,522	3.54
Crude petroleum.....	274	.00	1,181	.00
Asphaltum .....	148,499	.49	118,439	.38
Salt .....	289,924	.96	311,182	1.00
Other products of mines.....	10,625	.04	14,752	.05
Total .....	16,989,828	56.22	19,299,924	61.93

1924

## LEHIGH VALLEY RAILROAD COMPANY

Classification of Tonnage for the Years Ended December 31, 1924 and 1923, Continued

Table 12

COMMODITY	1924		1923	
	TONS	PER CENT.	TONS	PER CENT.
PRODUCTS OF FORESTS:				
Logs, posts, poles and cord wood.....	186,513	.62	169,861	.55
Ties .....	9,210	.03	11,859	.04
Pulp wood.....	140	.00	529	.00
Lumber, timber, box shooks, staves and headings.....	475,593	1.57	480,453	1.54
Other products of forests.....	33,879	.11	38,299	.12
Total .....	705,335	2.33	701,001	2.25
MANUFACTURES AND MISCELLANEOUS:				
Refined petroleum and its products.....	562,571	1.86	541,636	1.74
Vegetable oils.....	8,717	.03	4,915	.02
Sugar, sirup, glucose and molasses.....	146,249	.48	146,765	.47
Boats and vessel supplies.....	690	.00	81	.00
Iron, pig and bloom.....	271,938	.90	252,161	.81
Rails and fastenings.....	12,666	.04	3,004	.01
Bar and sheet iron, structural iron and iron pipe.....	745,260	2.47	591,311	1.90
Other metals, pig, bar and sheet.....	89,194	.30	72,976	.23
Castings, machinery and boilers.....	79,265	.26	56,086	.18
Cement .....	1,449,952	4.80	1,378,827	4.42
Brick and artificial stone.....	206,675	.68	171,929	.55
Lime and plaster.....	72,609	.24	48,930	.16
Sewer pipe and drain tile.....	9,842	.03	5,945	.02
Agricultural implements and vehicles other than automobiles	30,203	.10	23,168	.08
Automobiles and autotrucks.....	258,619	.86	259,980	.83
Household goods and secondhand furniture.....	5,469	.02	5,646	.02
Furniture (new).....	21,175	.07	14,879	.05
Beverages .....	16,052	.05	14,188	.05
Ice .....	97,273	.32	113,158	.36
Fertilizers (all kinds).....	41,383	.14	44,200	.14
Paper, printed matter and books.....	47,805	.16	31,674	.10
Chemicals and explosives.....	224,207	.74	243,314	.78
Textiles .....	9,476	.03	7,187	.02
Canned goods (all canned food products).....	130,601	.43	101,828	.33
Other manufactures and miscellaneous.....	3,401,830	11.26	3,235,409	10.38
Total .....	7,939,721	26.27	7,369,197	23.65
Grand Total, Carload Traffic.....	29,489,770	97.57	30,474,411	97.79
Merchandise—All L. C. L. freight.....	735,137	2.43	690,232	2.21
Grand Total, Carload and L. C. L. Traffic.....	30,224,907	100.00	31,164,643	100.00



## LEHIGH VALLEY RAILROAD COMPANY

## GENERAL REMARKS TO OWNERS OF RAILROAD SECURITIES

The year 1924 probably saw American railroads functioning at the highest point of efficiency in their history. A heavy volume of business was handled without congestion or car-shortage. Many costly and important additions were made to their properties during this period, which promise an even higher character of service for the future than has been possible in the past. Despite the steady traffic and the excellent conditions which have prevailed, however, it was possible for the railroads as a whole to earn only 4.33 per cent. upon their investment in properties used for transportation purposes, although the Interstate Commerce Commission, under the Transportation Act, has determined that not less than 5.75 per cent. shall be deemed a fair return.

This fact is particularly important, inasmuch as the superior service the railroads are now giving and the large volume of traffic they are handling are likely to convey the impression that the railroads of the country as a whole are in a prosperous condition and that reductions in rates are justified. In the last year, nineteen Class 1 railroads, ten of them in the East, operated at a deficit and many of the others failed to earn their interest charges. The fact that the rate of return on the investment for all the carriers combined was below the rate which has been determined upon as reasonable, indicates that the railroads are still far from being in a position to stand substantial reductions in their revenues. As a matter of fact, the return being earned by the carriers upon their investment is by no means of sufficient size to establish the credit with the investing public which is necessary if they are to finance the improvements required to keep pace with the growing commercial development of the country. The situation is one of profound concern to every student of transportation matters, especially in view of the fact that the successful operation of the carriers in the last year or so has given so many the impression that the railroads are no longer confronted with serious problems.

In the meanwhile, it is important to remember that the railroads are performing a great economic service for the people. Through the efficiency with which they are being operated, it is no longer necessary for industry and business to tie up great amounts of capital in stocks of materials and supplies. Unquestionably this has resulted in enormous savings to manufacturers and merchants and contributed to a vastly improved banking and credit situation. This state of affairs demonstrates once more the importance of the railroads as an economic factor in the country's commerce and emphasizes the necessity of keeping them solvent.

A situation to which the railroads must give constant attention is that of taxes. States and municipalities continue to appropriate large sums for various developments, many of which, while valuable in themselves and desirable from many standpoints, impose a heavy burden upon taxpayers. Citizens, and particularly railroad stockholders, should watch expenditures for public improvements with the same zeal with which they govern their own expenditures.

Legislative matters continued to present difficulties to the carriers. As was told in the last report, many bills seeking to hamper the railroads or to make their successful operation more difficult were introduced in Congress. Fortunately, the people as a whole, showed considerable interest in these matters and only one measure of this character was enacted into law.

Railroads, however, continue to be faced by difficulties growing out of the tendency of legislative bodies to regard many transportation problems as political rather than economic. This shows itself particularly in the inclination, upon the part of many members of Congress, to seek to solve these questions according to their individual views and to take away from the Interstate Commerce Commission the powers and duties heretofore given it. A legislative body has no machinery for determining adequately the justness or reasonableness of freight rates or passenger fares. Public regulation can be constructive only when these matters are determined after a full and calm study of all the pertinent facts by an impartial commission. To handle them otherwise makes them political questions. It is to be hoped that, upon every opportunity which presents itself, citizens will take it upon themselves to urge their representatives in the Senate and House to leave the Interstate Commerce Commission free and untrammelled in the duties which have been assigned to it.

E. E. LOOMIS,  
President.



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